

FORM
2

Rev
12/05

State of Colorado
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109



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APPLICATION FOR PERMIT TO:

1. Drill, Deepen, Re-enter, Recomplete and Operate

2. TYPE OF WELL

OIL GAS COALBED OTHER _____
 SINGLE ZONE MULTIPLE ZONE COMMINGLE ZONE

Refiling
 Sidetrack

Document Number:
 400088630
 Plugging Bond Surety
 20010124

3. Name of Operator: KERR-MCGEE OIL & GAS ONSHORE LP 4. COGCC Operator Number: 47120

5. Address: P O BOX 173779
 City: DENVER State: CO Zip: 80217-3779

6. Contact Name: CHERYL LIGHT Phone: (720)929-6461 Fax: (720)929-7461
 Email: CHERYL.LIGHT@ANADARKO.COM

7. Well Name: REI Well Number: 31-5HZ

8. Unit Name (if appl): _____ Unit Number: _____

9. Proposed Total Measured Depth: 12177

WELL LOCATION INFORMATION

10. QtrQtr: SESE Sec: 5 Twp: 3N Rng: 65W Meridian: 6
 Latitude: 40.248537 Longitude: -104.680384

Footage at Surface: 511 FSL 748 FEL

11. Field Name: WATTENBERG Field Number: 90750

12. Ground Elevation: 4891 13. County: WELD

14. GPS Data:

Date of Measurement: 08/07/2010 PDOP Reading: 1.8 Instrument Operator's Name: TRAVIS KRAICH

15. If well is Directional Horizontal (highly deviated) **submit deviated drilling plan.**

Footage at Top of Prod Zone: FNL/FSL FEL/FWL Bottom Hole: FNL/FSL FEL/FWL
881 FSL 1182 FEL 1300 FNL 460 FWL
 Sec: 5 Twp: 3N Rng: 65W Sec: 5 Twp: 3N Rng: 65W

16. Is location in a high density area? (Rule 603b)? Yes No

17. Distance to the nearest building, public road, above ground utility or railroad: 1532 ft

18. Distance to nearest property line: 511 ft 19. Distance to nearest well permitted/completed in the same formation: 680 ft

20. LEASE, SPACING AND POOLING INFORMATION

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
NIOBRARA	NBRR	407	640	ALL

21. Mineral Ownership: Fee State Federal Indian Lease #: _____

22. Surface Ownership: Fee State Federal Indian

23. Is the Surface Owner also the Mineral Owner? Yes No Surface Surety ID#: _____

23a. If 23 is Yes: Is the Surface Owner(s) signature on the lease? Yes No

23b. If 23 is No Surface Owners Agreement Attached or \$25,000 Blanket Surface Bon \$2,000 Surface Bond \$5,000 Surface Bond

24. Using standard QtrQtr, Sec, Twp, Rng format enter entire mineral lease description upon which this proposed wellsite is located (attach separate sheet/map if you prefer):
SEE ATTACHED OIL & GAS LEASE

25. Distance to Nearest Mineral Lease Line: 460 ft 26. Total Acres in Lease: 5737

DRILLING PLANS AND PROCEDURES

27. Is H2S anticipated? Yes No If Yes, attach contingency plan.

28. Will salt sections be encountered during drilling? Yes No

29. Will salt (>15,000 ppm TDS CL) or oil based muds be used during drilling? Yes No

30. If questions 27 or 28 are yes, is this location in a sensitive area (Rule 903)? Yes No **If 28, 29, or 30 are "Yes" a pit permit may be required.**

31. Mud disposal: Offsite Onsite
Method: Land Farming Land Spreading Disposal Facility Other: _____

Note: The use of an earthen pit for Recompletion fluids requires a pit permit (Rule 905b). If air/gas drilling, notify local fire officials.

Casing Type	Size of Hole	Size of Casing	Weight Per Foot	Setting Depth	Sacks Cement	Cement Bottom	Cement Top
SURF	12+1/4	9+5/8	40	600	420	600	
1ST	8+3/4	7+0/0	26	7,370	560	7,670	400
2ND	6+1/8	4+1/2	11.6	12,177		12,177	6,472

32. BOP Equipment Type: Annular Preventer Double Ram Rotating Head None

33. Comments No conductor casing will be used. Unit Acreage assigned to well is 640 acres. KMG is 100% mineral owner. KMG will conduct a Bradenhead test on the HSR-Page 10-5.

34. Location ID: 329410

35. Is this application in a Comprehensive Drilling Plan ? Yes No

36. Is this application part of submitted Oil and Gas Location Assessment ? Yes No

I hereby certify all statements made in this form are, to the best of my knowledge, true, correct, and complete.

Signed: _____ Print Name: CHERYL LIGHT

Title: SR. REGULATORY ANALYST Date: 8/30/2010 Email: DJREGULATORY@ANADARK

Based on the information provided herein, this Application for Permit-to-Drill complies with COGCC Rules and applicable orders and is hereby approved.

COGCC Approved: David S. Nash Director of COGCC Date: 10/5/2010

API NUMBER
05 123 32316 00

Permit Number: _____ Expiration Date: 10/4/2012

CONDITIONS OF APPROVAL, IF ANY: _____

All representations, stipulations and conditions of approval stated in the Form 2A for this location shall constitute representations, stipulations and conditions of approval for this Form 2 Permit-to-Drill and are enforceable to the same extent as all other representations, stipulations and conditions of approval stated in this Permit-to-Drill.

- 1) Provide 24 hour notice of MIRU to Bo Brown at 970-330-6085 or e-mail at bobrown@state.co.us.
- 2) Comply with Rule 317.i and provide cement coverage from TD to a minimum of 200' above Niobrara and from 200' below Sussex to 200' above Sussex. Verify coverage with cement bond log.
- 3) Comply with Rule 321. Run and submit Directional Survey from TD to base of surface casing. Ensure that the wellbore complies with setback requirements in commission orders or rules prior to producing the well.

Attachment Check List

Att Doc Num	Name	Doc Description
2511323	SURFACE CASING CHECK	LF@2546008 2511323
2529663	LEGAL/LEASE DESCRIPTION	LF@2597484 2529663
400088630	FORM 2 SUBMITTED	LF@2533531 400088630
400088633	WELL LOCATION PLAT	LF@2533532 400088633
400088635	TOPO MAP	LF@2533533 400088635
400088637	OIL & GAS LEASE	LF@2533534 400088637
400088638	SURFACE AGRMT/SURETY	LF@2533535 400088638
400088639	30 DAY NOTICE LETTER	LF@2533536 400088639
400088640	DEVIATED DRILLING PLAN	LF@2533537 400088640

Total Attach: 9 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Td changed from TVD to MD.	10/5/2010 11:02:30 AM
Permit	Lease coverage insufficient	9/13/2010 9:33:10 AM

Total: 2 comment(s)

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